

interests all demand that the militias be stopped and that the military must be united in the pursuit of professionalism, accountability, and civilian control.

THE CLASS ACTION FAIRNESS ACT

Mr. GRAMS. Mr. President, I want to today announce my support for S. 353, the Class Action Fairness Act, just reported by the Judiciary Committee, and announced my intention to complement this legislation by introducing legislation soon that will require lawyers representing plaintiffs in class actions to make preliminary disclosures estimating the anticipated attorneys' fee, and an explanation of the relative recoveries that both the attorney and class action clients can expect to receive if the claim is settled or decided favorably. My cosponsorship of the Class Action Fairness Act and intention to introduce my own legislation is prompted by some high profile class action case settlements that have generated a great deal of controversy. Labeled "coupon" settlements, these agreements have involved the class action claimants receiving coupons for discounts on later purchases of goods or services while the attorneys representing the class walk away with literally hundreds of thousands of dollars, or even millions of dollars, in fees. Often these coupons are for discounts on the same item rejected by the claimants in the class action.

For instance, several years ago many of the nation's airlines were sued based upon a claim that they had fixed prices. A database that the airlines were using to communicate fares to the travel industry was suspected of being used to compare and fix fares, and a Justice Department antitrust investigation thus ensued. The Justice Department subsequently filed a civil antitrust suit in 1992 and settled the case in 1994. But firms specializing in class action cases also brought their own civil suits against the airlines on behalf of air travelers. In fact, 37 firms were involved on the plaintiff side of the litigation.

A settlement was eventually reached that provided \$438 million worth of coupons to an unknown number of passengers, while the legal fees to plaintiffs' attorneys amounted to \$16 million. In other words, the passengers got coupons, and the lawyers got cash. You may be thinking that \$438 million in coupons sounds like a pretty generous amount of discounts for the passengers, but the details indicate otherwise. Each coupon was good for only a 10 percent maximum discount off an air fare. 4.2 million air travelers recovered between \$73 and \$140 in coupons, but, again, any one coupon was only good for 10 percent of the actual fare.

One particularly revealing fact about this settlement was that one airline that had not been named as a defendant actually asked to be joined in the suit as a defendant because they saw

the promotional value of all these coupons going to air travelers. So what ostensibly was a high stakes civil action degenerated into a promotional tool for the airlines, a negligible recovery for the class members, and a financial boon for the plaintiffs' attorneys.

It's not difficult to foresee the possibility of collusion between plaintiffs' and defendants' attorneys when the plaintiff attorneys can get huge fees and defendants can eliminate the risk of a large judgment. It obviously is an attractive option to a defendant to settle a case and pay large fees to a small number of people—specifically the attorneys—and avoid the risk of protracted litigation and lawyers seeking a jackpot recovery. Attorneys have a fiduciary duty to represent the best interests of their clients, but it's clear that in the cases of coupon settlement usually the primary interest served is their own.

So we now have a problem of plaintiff attorneys searching for causes for which they can bring suit, and then representing anonymous clients that they don't know and to which they have no accountability. In fact, many members of a class in a class action don't even know they are being represented. The windfall profits to attorneys has prompted a deluge of these type of suits, and recent studies indicate that in the last 36 months, some companies have faced a 300 to 1000% increase in the number of class actions filed against them. And you know the problem has gotten bad when the president of the Association of Trial Lawyers of America comes out against coupon settlements.

The problem of coupon settlements has been manifested primarily in state courts. Federal court judges generally, to their credit, have been more vigilant in policing such "sweetheart settlements." The problem of the proliferation of this type of litigation in state courts prompted Congress to seek a legislative remedy. The Judiciary recently marked up the Class Action Fairness Act, which moves many of these large, multi-state claims to the federal courts where they belong. Many of the class action trial lawyers have worked the system to keep their claims in state court, where they know there is not the expertise nor staff to handle the issues, and which provides them advantages over the defendant. The bill also requires the Judicial Conference of the United States to recommend best practices the courts can use to ensure settlements are fair to the class members, that attorneys fees are appropriate, and that the class members are the primary beneficiaries of the settlement.

I believe that these are important reforms, and I want to take the reforms a step further by requiring attorneys in class action cases to make an up-front disclosure about the prospects for success and also give information about attorneys' fees and individual class member recovery in the event of a suc-

cessful conclusion to the suit. If potential class members are likely to receive only a small fraction of what their attorney would receive, or perhaps a coupon which they may or may not end up using, then they need to be appraised of that fact from the start. These types of disclosures will at least put the potential class members on notice that perhaps the attorneys don't have some noble pursuit of justice in mind as much as they do getting a quick settlement that will net them huge profits, while the clients they ostensibly are trying to assist receive little or nothing.

Again, I am pleased to join as a cosponsor of S. 343, and look forward to introducing my own legislation to combat this abuse of our legal system.

EXPLANATION OF ABSENCE

Mrs. MURRAY. Mr. President, as my colleagues know, I had to return home to Washington state on Thursday of last week to attend the funeral of Mr. Bernie Whitebear. Unfortunately, I missed a series of roll call votes on H.R. 4461, the fiscal year 2001 agriculture appropriations bill, and the vote on the Conference Report of H.R. 4810, marriage tax penalty legislation. I wanted to take this opportunity to state for the Record how I would have voted had I been present.

On Roll Call Vote Number 221, the Harkin Amendment Number 3938, I would have voted "Yea."

On Roll Call Vote Number 222, the Wellstone Amendment Number 3919, I would have voted "Yea."

On Roll Call Vote Number 223, the Specter Amendment Number 3958, I would have voted "Yea."

On Roll Call Vote Number 224, on the question of whether the Durbin Amendment Number 3980 is germane to H.R. 4461, I would have voted "Yea."

On Roll Call Vote Number 225, on final passage of H.R. 4461, I would have voted "Yea."

On Roll Call Vote Number 226, on final passage of the Conference Report of H.R. 4810, I would have voted "Nay."

WHY FOREIGN AID?

Mr. LEAHY. Mr. President, I often hear from members of the public who feel that the United States is spending too much on "foreign aid." Why are we sending so much money abroad, they ask, when we have so many problems here at home?

This concerns me a great deal, because it has been shown over and over again that most Americans mistakenly believe that 15 percent of our national budget goes to foreign aid. In fact it is about 1 percent. The other 99 percent goes for our national defense and to fund other domestic programs—to build roads, support farmers, protect the environment, build schools and hospitals, pay for law enforcement, and countless other things the government does.

The United States has by far the largest economy in the world. We are unquestionably the wealthiest country. The amount we spend on foreign aid totals only a few dollars per American per year.

What does the rest of the world look like?

Imagine, for a moment, if the world's population were shrunk to a population of 100 people, with the current ratios staying the same. Of those 100 people, 57 would be Asians. There would be 21 Europeans. Fourteen would be from North and South America. Eight would be Africans.

Of those 100 people, 52 would be women, and 48 would be men. Seventy would be non-White, and 30 would be White. Seventy would be non-Christian, and 30 would be Christian.

Six people would possess 59 percent of the world's wealth, and all 6 would be Americans. Think about that.

Fifty people—one half of the population, would suffer from malnutrition. 80 out of 100 would live in substandard housing, often without safe water to drink.

Seventy would be illiterate. Only 1 would have a college education. And only 1 would own a computer.

Are we spending too much on foreign aid? These statistics put things in perspective. I would suggest that there are two reasons to conclude that not only are we not spending too much, we are not spending enough.

First, we are a wealthy country—far wealthier than any other. Yes we have problems. Serious problems. But they pale in comparison to the deprivation endured by over a billion of the world's people who live in extreme poverty, with incomes of less than \$1 per day. Like other industrialized countries, we have a moral responsibility to help.

Second, it is often said, but worth repeating, that our economy and our security are closely linked to the global economy and to the security of other countries. Although we call it foreign aid, it isn't just about helping others. These programs help us.

By raising incomes in poor countries we create new markets for American exports, the fastest growing sector of our economy.

Raising incomes abroad also reduces pressure on people to flee their own countries in search of a better life. One example that is close to home is Mexico, where half the population survives on an income of \$2 per day. Every day, thousands of people cross illegally from Mexico into the United States, putting enormous strains on U.S. law enforcement.

Foreign aid programs support our democratic allies. There are few examples in history of a democracy waging war against another democracy.

These programs protect the environment and public health, by stopping air and water pollution, and combating the spread of infectious diseases that are only an airplane flight away from our shores.

They help deter the proliferation of weapons, including nuclear, biological and chemical weapons.

These are but a few examples of how "foreign aid" creates jobs here at home, and protects American interests abroad.

The American people need to know what we do with our foreign aid, and why in an increasingly interdependent world the only superpower should be doing more to protect our interests around the world, not less.

CHANGE OF COMMAND FOR THE CHIEF OF NAVAL OPERATIONS

Mr. WARNER. Mr. president, on July 21, 2000 our colleague Senator JOHN MCCAIN delivered an address at the Change of Command ceremony were Admiral Jay Johnson stepped down from his distinguished career to be succeeded by Admiral Vern Clark as the 27th Chief of Naval Operations.

I was privileged to be present, together with Roberta McCain, Senator MCCAIN's mother, to listen to his stirring remarks to our Navy-Marine Corps men and women—both present and serving throughout the world in the cause of freedom. Our colleague has a long and distinguished career in and with our military. His heartfelt delivery was genuine and his message was inspirational. I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATOR JOHN MCCAIN SPEECH FOR CNO RETIREMENT July 21, 2000

Thank you, Admiral Johnson, Secretary Cohen, Secretary Danzig, General Shelton, Admiral Clark, the Joint Chiefs, Medal of Honor recipients, members of Congress, members of the Naval Academy Board of Visitors, distinguished flag and general officers of the U.S. and Allied Forces, guests, families and friends. And thank you, midshipmen of the Class of 2004.

I am greatly honored to be here today, and to participate in this wonderful ceremony as the men and women of the United States Navy officially welcome their new Chief of Naval Operations, Admiral Vernon Clark, and say farewell and thank you to the man who has led you so well for more than four years, my good friend, Admiral Jay Johnson.

It has never been enough that an officer of the Navy should be a capable mariner. He must be that, of course, but also a great deal more. He should be, and I quote, "a gentleman of liberal education, refined manners, punctilious courtesy, and the nicest sense of personal honor." End quote.

For those of you who know your plebe rates, you recognize that those words were written by a man who is buried here at the Naval Academy, underneath the Chapel dome. John Paul Jones had a clear vision for the qualifications of a Naval Officer over 220 years ago, qualifications that Admiral Johnson and Admiral Clark not only meet, but exceed.

Admiral Johnson and I have known each other for a long time. We both served on the USS ORISKANY during the Vietnam War. He flew an F8 Crusader in two combat cruises, trying to finish the war so those of us who weren't as good a pilot as he was could come home a little earlier. And for that I am extremely grateful!

Of the many lessons I learned from Vietnam, one that I value highly is the realization that although Americans have fought valiantly in many noble causes, we are not assured that the battle will always be necessary or the field well-chosen. In the end, Americans at war, professional and conscript alike, always find their honor in their answer, if not their summons. My friend, Admiral Johnson found much honor in his answer to our country's call to arms.

In better times, Admiral Johnson and I again worked together on behalf of the service we both want to see succeed. As a member of Congress, I have admired his meteoric rise as an Air Wing, Battle Group, Joint Task Force and Fleet Commander. As the Vice Chief and then Chief of Naval Operations, Jay's frank counsel on issues affecting the defense of our country has been of great value to me, and other members of Congress.

Applying his philosophy that emphasizes Operational Primacy, Leadership, Teamwork and Pride, Admiral Johnson has guided the Navy for the past four years, skillfully balancing mandated reductions in force with dramatically increased operational tasking.

He has been a champion of reform. He improved the Inter-Deployment Training Cycle—the period between deployments—the largest quality-of-life initiative of the past decade, by reducing at-sea time and ensuring that sailors could spend more time in port with their families. His improvements included empowering the Navy's commanding officers by removing redundant inspections and burdensome paperwork and raising morale among the sailors, while giving commanders the opportunity to truly lead their ships, squadrons, submarines and SEAL teams.

Admiral Johnson also led the Joint Chiefs of Staff in calling for the largest personnel pay increases in the past decade. He was the first Chief to step forward and support food stamp relief for our most needy sailors, soldiers, airmen, and marines. In addition, he led the charge for Pay Table Reform, which increased our sailors' pay beginning this month. He was instrumental in restoring full retirement pay for military retirees, and in pushing for larger increases in annual military pay raises. The dramatic improvements in this years' defense authorization bill, which passed the Senate last week are, in large part, due to Jay Johnson's influence.

The men and women he has commanded have responded to his outstanding leadership by performing superbly themselves in combat in Iraq and the Balkans. They have kept the peace and have won the wars, and for that, we are forever indebted to our sailors, soldiers, airmen, and marines and to people like Admiral Clark who has been involved in every Navy conflict over the past 32 years.

Admiral Johnson's skill in working with people clearly reflects his close family relationships. This year, Admiral Johnson was aptly deemed Father of the Year by the National Father's Day Committee.

The Class of 1968 has asked me to announce at today's ceremony that they have chosen Admiral Jay Johnson to be the honoree of the Class of 1968 Leadership Award that will endow a gift to the Superintendent of the Naval Academy for the Leadership and Ethics Curriculum. Congratulations Jay.

Admiral Clark, we welcome you and Connie to the helm of this great Navy. I am confident that the Navy will continue to flourish under your leadership.